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May 3, 2005

Progress Energy Carolinas, Inc.

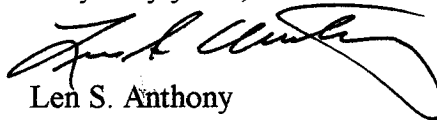
Charles Terreni
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Drive Suite 100
Columbia, SC 29210

Docket No. 2005-1-E

Dear Mr. Terreni:

Progress Energy Carolinas, Inc. ("PEC") feels compelled to respond to the assertions of Nucor Steel-South Carolina in its filing of this same date. Without attempting to respond to the various misrepresentations contained in Nucor's response, of which there are several, two matters must be emphasized: First, regardless of any alleged concerns over confidentiality, Nucor could have begun its discovery, as did the Office of Regulatory Staff, much earlier than April 22, 2005. However, Nucor failed to do so and has offered no explanation as to why it waited so long to begin discovery. Secondly, Nucor has not rebutted the fact that the issues in this case are the same as they are in all fuel cases. The only difference is the size of the requested increase. As PEC explained in its initial response, the size of the increase does not make the case more difficult to investigate or litigate.

Very truly yours,



Len S. Anthony
Deputy General Counsel
Progress Energy Carolinas, Inc.
P.O. Box 1551
Raleigh, NC 27602

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SO. CAROLINA
COM. REG. STAFF